Appendix A to the cooperation and consulting agreement between Ergo and TrueSec Ltd.

General

This appendix describes a non-binding understanding of the compensation mechanism described in the agreement.

Its purpose is to create a basis for common interpretation of the agreement's letter and spirit and in this sense it is a part of the above signed agreement.

Examples

In regard to 4(a) for example: $1.5 m project, assuming 40% margin should result in $300,000 fee for TrueSec.

In regard to 4(b) for example: introductions that lead to $1m in sales will create a $100,000 fee for TrueSec. If another $1m contract will be signed later with the same client or as a direct result of the first contract, this $1m in follow-up contract should lead to extra $50,000 fee for TrueSec.

In regard to 4(c) for example: Assuming $5m of introduced capital which led to an investment with EIP which produces fees: namely 2% carry and 20% performance fee. And assuming 30% annual return. Under these conditions it should produce $290,923 in fees over three years for TrueSec (see the spreadsheet on the following page). And this payment will continue, as agreed, all along the life span of this money in EIP, based on actual annual performance of each year.

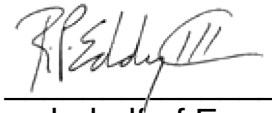
	Investment Introduced by TrueSec to EIP	Percentage of EIP fees earned that TrueSec gets from introduced investments	Annual Return Performance by EIP (pre-fees)	Client's Investment Total at Start of Year	2% Management Fee / Yr to EIP	TrueSec earns 20% of the EIP-earned Management Fee	Net of Management Fees, Perfomance Delivered by EIP to the Investor	20% Performance Fee to EIP	TrueSec Earns 20% of the EIP-earned Performance Fee	TrueSec Total for the Year
	$5,000,000	20%	30%							
Year One				$5,000,000	$100,000	$20,000	$1,470,000	$294,000	$58,800	$78,800
Year Two				$6,076,000	$121,520	$24,304	$1,786,344	$357,269	$71,454	$95,758
Year Three				$7,383,555	$147,671	$29,534	$2,170,765	$434,153	$86,831	$116,365
									Total	$290,923

In regard to 4(d) for example:

(a) $150,000 and 60% draw means that when any of the compensation mechanisms described in 4(a), 4(b), or 4(c) produces proceeds which should belong to TrueSec, then 60% of any such payment will be drawn back by Ergo, up to the point where $150,000 had been accumulated out of which $90,000 had been drawn back by Ergo and $60,000 remained in TrueSec accounts.

(b) 5% profit share in Ergo plus 5% of Ergo's 50% share in the profits of Ergo Investment Partners will be transferred according to and as a part of the agreement to TrueSec. The elements of interpretation as described above are well understood and willingly agreed upon by the parties to the agreement.

To verify all the above we signed it on Thursday, June 27, 2013



on behalf of TrueSec Ltd.
Ehud Barak

on behalf of Ergo
RP Eddy